

- o Add no more than 40% to the payment adjustment percentage for all public DSH providers prior to multiplication of that percentage by the inflated hospital-specific base year operating costs.
 - o Sum the percentages derived from the steps above to determine the payment adjustment package.
- (b) Multiply the payment adjustment percentage by the inflated hospital-specific base year operating costs to obtain inflated operating costs for each DSH.
 - (c) Calculate bad debt and uncompensated services costs by multiplying these total hospital costs by the percentage of Medicaid patient days to total patient days for each DSH.
 - (d) Add inflated operating costs and costs of uncompensated services and bad debts and divide by the discharges to obtain the payment adjustment amount per case for each DSH.
 - (e) Reduce the payment adjustment all non-public hospitals by 50%.
 - (f) Multiply the payment adjustment amount per case by the estimated number of admissions for each DSH. The product is the estimated DSH payment adjustment. The payment adjustment amount per case is subject to adjustment by the Department.

Effective with payment adjustments made on or after May 15, 1997, and subject to the availability of funds, the Department will adjust payments to public hospitals with less than 100 beds located in a non-MSA with an inpatient Medicaid utilization rate of at least 1% which agree to comply with Department Rule 350-6-.03(3).

The payment adjustment will be calculated as outlines below.

- (a) Calculate the Medicaid shortfall.
- (b) Calculate the costs of rendering services to individuals with no insurance or other third-party payer.
- (c) Determine Medicaid admissions for each hospital's base fiscal year.
- (d) Calculate base year cost per admission by adding (a) and (b) and dividing by (c) above.

- (e) Multiply base year cost per admission by estimated Medicaid admissions for the current federal fiscal year.

As a condition of receipt of the DSH payment adjustment, disproportionate share hospitals must agree to the requirements outlined in the Letter of Understanding, an example of which is included in this Appendix. The hospital must sign and return to the Department the Letter of Understanding in order to receive a DSH payment adjustment.

Public DSH providers are limited to a calculated disproportionate share payment cap for the 1995 state fiscal year. The DSH cap limits public providers to uncompensated medical care costs. Public hospitals can exceed the DSH payment cap by up to 200%, in the 1995 state fiscal year only, if the state certifies the monies above the cap are used for health services.

Effective with DSH payments made on and after July 1, 1995, all DSH providers are subject to a hospital-specific DSH limit. The limit is defined as outlined below.

(Costs of Medicaid services LESS Medicaid non-DSH payments) PLUS
(Costs of services to individuals with no insurance or other third-party coverage LESS payments received from individuals with no insurance or other third-party coverage)

5. Adjustments to Rate (Georgia Hospitals Only)

- 5.1 The Department will issue survey forms for completion by hospitals to document any changes for any additional building and fixed equipment costs associated with a Certificate of Need approved capital improvement since the hospital's base year. Surveys received after the due date will not be used to increase a hospital's per case rate.
- 5.2 Effective with per case rates calculated for dates of admission on and after July 1, 1993, costs related to the professional services of certified registered nurse anesthetists (CRNAs), pediatric nurse practitioners, obstetrical nurse practitioners and family nurse practitioners will be excluded from base year costs prior to calculating the rates. Effective July 1, 1993, CRNAs and specified nurse practitioners must enroll in the Medicaid program to receive payment for their services directly.
- 5.3 The Department reviews a hospital's cost report to verify various rate components. The reimbursement methodology assumes that services in the base period will continue; therefore, audited cost reports are reviewed to determine that all services and facilities included in the base period will

continue in the reimbursement year. Additionally, all surveyed items are subject to verification. As appropriate, the Department's findings on such items may cause a hospital's rate of payment to be adjusted.

6. **Settlement**

For payments occurring during each calendar year, a comparison of a hospital's total Medicaid payments and its total charges will be made after completion of the calendar year. A refund will be due from the hospital for any amount by which total Medicaid payments are in excess of a hospital's total charges for Medicaid patients. For enrolled non-Georgia hospitals, the comparison will be made beginning with payments and charges for admissions occurring during calendar year 1990 and after. Total Medicaid payments included in the comparison shall not include payment adjustments made to disproportionate share hospitals, but will include inpatient co-payment amounts that the hospitals should collect from recipients. There will be no other cash settlements except as noted in Sections 1001.3, and 1006.

7. **Amended Cost Reports**

An amended, audited cost report will not be recognized for the purpose of adjusting reimbursable costs (outpatient) if the amended cost report is received more than three (3) years after the initial audit of the cost report is completed. (For definition purposes, this date is established as the date of initial notification of audit completion to the provider.) The Department's paid claims data used with the audited cost report will be used with the amended cost report to calculate the revised per case rate and outpatient settlement.

8. **Transfer Cases**

If a patient is transferred from one hospital for admission to a second hospital for medically appropriate cause and the claims for both hospitals fall into the same DRG, both hospitals will be eligible for payment. If the claims would otherwise be paid under the DRG rate methodology, each hospital's payment will be the lesser of the DRG rate or a rate calculated by the CCR methodology. If a patient is transferred from one hospital for admission to a second hospital for medically appropriate cause and the claims for both hospitals fall into different DRGs, each hospital's payment will be the amount that a non-transfer claim would be paid.

EXHIBIT C.1
OUTLIER THRESHOLDS AND RELATIVE WEIGHTS

CHAMPUS DRG V15.0	Outlier Threshold	Relative Weight
1 CRANIOTOMY AGE >17 EXCEPT FOR TRAUMA	\$61,798.67	6.0437
2 CRANIOTOMY FOR TRAUMA AGE >17	\$62,585.79	6.1050
3 CRANIOTOMY AGE 0-17	\$77,862.51	4.4117
4 SPINAL PROCEDURES	\$26,418.82	2.0091
5 EXTRACRANIAL VASCULAR PROCEDURES	\$28,462.91	2.5409
6 CARPAL TUNNEL RELEASE	\$26,418.82	2.0091
7 PERIPH & CRANIAL NERVE & OTHER NERV SYST PROC W CC	\$26,418.82	2.0091
8 PERIPH & CRANIAL NERVE & OTHER NERV SYST PROC W/O CC	\$26,418.82	2.0091
9 SPINAL DISORDERS & INJURIES	\$83,636.65	7.8905
10 NERVOUS SYSTEM NEOPLASMS W CC	\$32,511.50	1.6731
11 NERVOUS SYSTEM NEOPLASMS W/O CC	\$26,418.82	2.0091
12 DEGENERATIVE NERVOUS SYSTEM DISORDERS	\$36,432.93	2.1164
13 MULTIPLE SCLEROSIS & CEREBELLAR ATAXIA	\$26,418.82	2.0091
14 SPECIFIC CEREBROVASCULAR DISORDERS EXCEPT TIA	\$35,333.37	2.4431
15 TRANSIENT ISCHEMIC ATTACK & PRECEREBRAL OCCLUSIONS	\$20,184.06	1.0671
16 NONSPECIFIC CEREBROVASCULAR DISORDERS W CC	\$26,418.82	2.0091
17 NONSPECIFIC CEREBROVASCULAR DISORDERS W/O CC	\$26,418.82	2.0091
18 CRANIAL & PERIPHERAL NERVE DISORDERS W CC	\$20,184.06	1.2496
19 CRANIAL & PERIPHERAL NERVE DISORDERS W/O CC	\$20,184.06	0.8823
20 NERVOUS SYSTEM INFECTION EXCEPT VIRAL MENINGITIS	\$40,860.94	2.4677
21 VIRAL MENINGITIS	\$20,184.06	0.7989
22 HYPERTENSIVE ENCEPHALOPATHY	\$26,418.82	2.0091
23 NONTRAUMATIC STUPOR & COMA	\$26,418.82	2.0091
24 SEIZURE & HEADACHE AGE >17 W CC	\$20,184.06	1.2143
25 SEIZURE & HEADACHE AGE >17 W/O CC	\$20,184.06	0.9447
26 SEIZURE & HEADACHE AGE 0-17	\$20,184.06	0.7985
27 TRAUMATIC STUPOR & COMA, COMA >1 HR	\$26,418.82	2.0091
28 TRAUMATIC STUPOR & COMA, COMA <1 HR AGE >17 W CC	\$26,418.82	2.0091
29 TRAUMATIC STUPOR & COMA, COMA <1 HR AGE >17 W/O CC	\$26,418.82	2.0091
30 TRAUMATIC STUPOR & COMA, COMA <1 HR AGE 0-17	\$24,477.14	1.1600
31 CONCUSSION AGE >17 W CC	\$26,418.82	2.0091
32 CONCUSSION AGE >17 W/O CC	\$26,418.82	2.0091
33 CONCUSSION AGE 0-17	\$26,418.82	2.0091
34 OTHER DISORDERS OF NERVOUS SYSTEM W CC	\$40,763.32	2.0865
35 OTHER DISORDERS OF NERVOUS SYSTEM W/O CC	\$26,418.82	2.0091
36 RETINAL PROCEDURES	\$161,018.72	1.6637
37 ORBITAL PROCEDURES	\$20,184.06	1.2509
38 PRIMARY IRIS PROCEDURES	\$20,184.06	1.2509
39 LENS PROCEDURES WITH OR WITHOUT VITRECTOMY	\$20,184.06	1.2509
40 EXTRAOCULAR PROCEDURES EXCEPT ORBIT AGE >17	\$20,184.06	1.2509
41 EXTRAOCULAR PROCEDURES EXCEPT ORBIT AGE 0-17	\$20,184.06	1.2509
42 INTRAOCULAR PROCEDURES EXCEPT RETINA, IRIS & LENS	\$20,184.06	1.2509
43 HYPHEMA	\$20,184.06	1.2509
44 ACUTE MAJOR EYE INFECTIONS	\$20,184.06	0.5625
45 NEUROLOGICAL EYE DISORDERS	\$20,184.06	1.2509

EXHIBIT C.1
OUTLIER THRESHOLDS AND RELATIVE WEIGHTS

CHAMPUS DRG V15.0	Outlier Threshold	Relative Weight
46 OTHER DISORDERS OF THE EYE AGE >17 W CC	\$20,184.06	1.2509
47 OTHER DISORDERS OF THE EYE AGE >17 W/O CC	\$20,184.06	1.2509
48 OTHER DISORDERS OF THE EYE AGE 0-17	\$20,184.06	1.2509
49 MAJOR HEAD & NECK PROCEDURES	\$20,184.06	1.1831
50 SIALOADENECTOMY	\$20,184.06	1.1831
51 SALIVARY GLAND PROCEDURES EXCEPT SIALOADENECTOMY	\$20,184.06	1.1831
52 CLEFT LIP & PALATE REPAIR	\$20,184.06	1.1831
53 SINUS & MASTOID PROCEDURES AGE >17	\$20,184.06	1.1831
54 SINUS & MASTOID PROCEDURES AGE 0-17	\$20,184.06	1.1831
55 MISCELLANEOUS EAR, NOSE, MOUTH & THROAT PROCEDURES	\$20,184.06	1.1831
56 RHINOPLASTY	\$20,184.06	1.1831
57 T&A PROC, EXCEPT TONSILLECTOMY &/OR ADENOIDECTOMY ONLY, AGE	\$20,184.06	1.1831
58 T&A PROC, EXCEPT TONSILLECTOMY &/OR ADENOIDECTOMY ONLY, AGE	\$20,184.06	1.1831
59 TONSILLECTOMY &/OR ADENOIDECTOMY ONLY, AGE >17	\$20,184.06	1.1831
60 TONSILLECTOMY &/OR ADENOIDECTOMY ONLY, AGE 0-17	\$20,184.06	1.1831
61 MYRINGOTOMY W TUBE INSERTION AGE >17	\$20,184.06	1.1831
62 MYRINGOTOMY W TUBE INSERTION AGE 0-17	\$20,184.06	1.0377
63 OTHER EAR, NOSE, MOUTH & THROAT O.R. PROCEDURES	\$40,547.62	2.5659
64 EAR, NOSE, MOUTH & THROAT MALIGNANCY	\$20,184.06	1.1831
65 DYSEQUILIBRIUM	\$20,184.06	1.1831
66 EPISTAXIS	\$20,184.06	1.1831
67 EPIGLOTTITIS	\$20,184.06	1.1831
68 OTITIS MEDIA & URI AGE >17 W CC	\$20,184.06	0.7417
69 OTITIS MEDIA & URI AGE >17 W/O CC	\$20,184.06	0.6325
70 OTITIS MEDIA & URI AGE 0-17	\$20,184.06	0.5118
71 LARYNGOTRACHEITIS	\$20,184.06	0.5941
72 NASAL TRAUMA & DEFORMITY	\$20,184.06	1.1831
73 OTHER EAR, NOSE, MOUTH & THROAT DIAGNOSES AGE >17	\$20,184.06	1.1831
74 OTHER EAR, NOSE, MOUTH & THROAT DIAGNOSES AGE 0-17	\$20,184.06	1.1831
75 MAJOR CHEST PROCEDURES	\$60,166.66	4.9188
76 OTHER RESP SYSTEM O.R. PROCEDURES W CC	\$55,402.40	3.6667
77 OTHER RESP SYSTEM O.R. PROCEDURES W/O CC	\$29,180.85	1.4834
78 PULMONARY EMBOLISM	\$20,184.06	2.2006
79 RESPIRATORY INFECTIONS & INFLAMMATIONS AGE >17 W CC	\$31,971.46	2.2529
80 RESPIRATORY INFECTIONS & INFLAMMATIONS AGE >17 W/O CC	\$20,184.06	1.2499
81 RESPIRATORY INFECTIONS & INFLAMMATIONS AGE 0-17	\$39,596.15	1.8729
82 RESPIRATORY NEOPLASMS	\$20,184.06	1.8003
83 MAJOR CHEST TRAUMA W CC	\$29,180.85	1.4834
84 MAJOR CHEST TRAUMA W/O CC	\$29,180.85	1.4834
85 PLEURAL EFFUSION W CC	\$20,184.06	1.5472
86 PLEURAL EFFUSION W/O CC	\$29,180.85	1.4834
87 PULMONARY EDEMA & RESPIRATORY FAILURE	\$51,274.11	2.7129
88 CHRONIC OBSTRUCTIVE PULMONARY DISEASE	\$20,184.06	1.3590
89 SIMPLE PNEUMONIA & PLEURISY AGE >17 W CC	\$20,184.06	1.4810
90 SIMPLE PNEUMONIA & PLEURISY AGE >17 W/O CC	\$20,184.06	1.0153

EXHIBIT C.1
OUTLIER THRESHOLDS AND RELATIVE WEIGHTS

CHAMPUS DRG V15.0	Outlier Threshold	Relative Weight
91 SIMPLE PNEUMONIA & PLEURISY AGE 0-17	\$20,184.06	0.7169
92 INTERSTITIAL LUNG DISEASE W CC	\$20,184.06	1.3253
93 INTERSTITIAL LUNG DISEASE W/O CC	\$29,180.85	1.4834
94 PNEUMOTHORAX W CC	\$20,184.06	1.5038
95 PNEUMOTHORAX W/O CC	\$20,184.06	0.8020
96 BRONCHITIS & ASTHMA AGE >17 W CC	\$20,184.06	1.0341
97 BRONCHITIS & ASTHMA AGE >17 W/O CC	\$20,184.06	0.8192
98 BRONCHITIS & ASTHMA AGE 0-17	\$20,184.06	0.7255
99 RESPIRATORY SIGNS & SYMPTOMS W CC	\$38,026.59	1.4193
100 RESPIRATORY SIGNS & SYMPTOMS W/O CC	\$20,184.06	0.7076
101 OTHER RESPIRATORY SYSTEM DIAGNOSES W CC	\$22,288.55	1.4014
102 OTHER RESPIRATORY SYSTEM DIAGNOSES W/O CC	\$20,184.06	0.6364
103 HEART TRANSPLANT	\$27,861.56	1.8842
104 CARDIAC VALVE PROCEDURES W CARDIAC CATH	\$92,117.34	11.2066
105 CARDIAC VALVE PROCEDURES W/O CARDIAC CATH	\$77,284.78	8.5732
106 CORONARY BYPASS W CARDIAC CATH	\$39,027.30	6.4173
107 CORONARY BYPASS W/O CARDIAC CATH	\$45,343.68	5.3786
108 OTHER CARDIOTHORACIC PROCEDURES	\$115,008.44	8.1418
110 MAJOR CARDIOVASCULAR PROCEDURES W CC	\$89,288.39	6.5028
111 MAJOR CARDIOVASCULAR PROCEDURES W/O CC	\$24,611.96	3.3711
112 PERCUTANEOUS CARDIOVASCULAR PROCEDURES	\$20,846.83	2.5982
113 AMPUTATION FOR CIRC SYSTEM DISORDERS EXCEPT UPPER LIMB & TOE	\$59,626.01	4.1308
114 UPPER LIMB & TOE AMPUTATION FOR CIRC SYSTEM DISORDERS	\$20,184.06	2.2415
115 PERM CARDIAC PACEMAKER IMPLANT W AMI, HEART FAILURE OR SHOCK	\$27,861.56	1.8842
116 OTH PERM CARDIAC PACEMAKER IMPLANT OR AICD LEAD OR GENERATOR	\$108,547.62	4.0352
117 CARDIAC PACEMAKER REVISION EXCEPT DEVICE REPLACEMENT	\$27,861.56	1.8842
118 CARDIAC PACEMAKER DEVICE REPLACEMENT	\$27,861.56	1.8842
119 VEIN LIGATION & STRIPPING	\$27,861.56	1.8842
120 OTHER CIRCULATORY SYSTEM O.R. PROCEDURES	\$41,165.25	2.7375
121 CIRCULATORY DISORDERS W AMI & C.V. COMP DISCH ALIVE	\$20,184.06	2.0019
122 CIRCULATORY DISORDERS W AMI W/O C.V. COMP DISCH ALIVE	\$20,184.06	1.8347
123 CIRCULATORY DISORDERS W AMI, EXPIRED	\$27,861.56	1.8842
124 CIRCULATORY DISORDERS EXCEPT AMI, W CARD CATH & COMPLEX DIAG	\$24,495.16	1.7892
125 CIRCULATORY DISORDERS EXCEPT AMI, W CARD CATH W/O COMPLEX DI	\$20,184.06	1.6272
126 ACUTE & SUBACUTE ENDOCARDITIS	\$27,861.56	1.8842
127 HEART FAILURE & SHOCK	\$20,184.06	1.2750
128 DEEP VEIN THROMBOPHLEBITIS	\$20,184.06	1.1252
129 CARDIAC ARREST, UNEXPLAINED	\$27,861.56	1.8842
130 PERIPHERAL VASCULAR DISORDERS W CC	\$20,184.06	1.3445
131 PERIPHERAL VASCULAR DISORDERS W/O CC	\$22,177.21	1.0046
132 ATHEROSCLEROSIS W CC	\$20,184.06	1.1203
133 ATHEROSCLEROSIS W/O CC	\$27,861.56	1.8842
134 HYPERTENSION	\$20,184.06	0.8440
135 CARDIAC CONGENITAL & VALVULAR DISORDERS AGE >17 W CC	\$27,861.56	1.8842
136 CARDIAC CONGENITAL & VALVULAR DISORDERS AGE >17 W/O CC	\$27,861.56	1.8842

EXHIBIT C.1
OUTLIER THRESHOLDS AND RELATIVE WEIGHTS

CHAMPUS DRG V15.0	Outlier Threshold	Relative Weight
137 CARDIAC CONGENITAL & VALVULAR DISORDERS AGE 0-17	\$27,861.56	1.8842
138 CARDIAC ARRHYTHMIA & CONDUCTION DISORDERS W CC	\$20,184.06	1.1653
139 CARDIAC ARRHYTHMIA & CONDUCTION DISORDERS W/O CC	\$20,184.06	0.7655
140 ANGINA PECTORIS	\$20,184.06	0.9114
141 SYNCOPE & COLLAPSE W CC	\$20,184.06	0.8962
142 SYNCOPE & COLLAPSE W/O CC	\$20,184.06	0.7040
143 CHEST PAIN	\$20,184.06	0.8921
144 OTHER CIRCULATORY SYSTEM DIAGNOSES W CC	\$51,420.26	1.9821
145 OTHER CIRCULATORY SYSTEM DIAGNOSES W/O CC	\$27,861.56	1.8842
146 RECTAL RESECTION W CC	\$20,184.06	1.6640
147 RECTAL RESECTION W/O CC	\$20,184.06	1.6640
148 MAJOR SMALL & LARGE BOWEL PROCEDURES W CC	\$74,674.48	5.4835
149 MAJOR SMALL & LARGE BOWEL PROCEDURES W/O CC	\$20,184.06	2.1626
150 PERITONEAL ADHESIOLYSIS W CC	\$65,412.09	4.0322
151 PERITONEAL ADHESIOLYSIS W/O CC	\$20,184.06	1.5674
152 MINOR SMALL & LARGE BOWEL PROCEDURES W CC	\$20,184.06	1.6640
153 MINOR SMALL & LARGE BOWEL PROCEDURES W/O CC	\$20,184.06	1.7735
154 STOMACH, ESOPHAGEAL & DUODENAL PROCEDURES AGE >17 W CC	\$75,654.77	5.5624
155 STOMACH, ESOPHAGEAL & DUODENAL PROCEDURES AGE >17 W/O CC	\$20,184.06	2.2487
156 STOMACH, ESOPHAGEAL & DUODENAL PROCEDURES AGE 0-17	\$47,377.59	2.0053
157 ANAL & STOMAL PROCEDURES W CC	\$20,184.06	1.6640
158 ANAL & STOMAL PROCEDURES W/O CC	\$20,184.06	1.1318
159 HERNIA PROCEDURES EXCEPT INGUINAL & FEMORAL AGE >17 W CC	\$20,184.06	1.9993
160 HERNIA PROCEDURES EXCEPT INGUINAL & FEMORAL AGE >17 W/O CC	\$20,184.06	1.4504
161 INGUINAL & FEMORAL HERNIA PROCEDURES AGE >17 W CC	\$20,184.06	1.6640
162 INGUINAL & FEMORAL HERNIA PROCEDURES AGE >17 W/O CC	\$20,184.06	1.6640
163 HERNIA PROCEDURES AGE 0-17	\$20,184.06	1.6640
164 APPENDECTOMY W COMPLICATED PRINCIPAL DIAG W CC	\$35,536.38	3.0764
165 APPENDECTOMY W COMPLICATED PRINCIPAL DIAG W/O CC	\$20,184.06	1.6640
166 APPENDECTOMY W/O COMPLICATED PRINCIPAL DIAG W CC	\$20,184.06	1.5733
167 APPENDECTOMY W/O COMPLICATED PRINCIPAL DIAG W/O CC	\$20,184.06	1.1659
168 MOUTH PROCEDURES W CC	\$20,184.06	1.1831
169 MOUTH PROCEDURES W/O CC	\$20,184.06	1.1831
170 OTHER DIGESTIVE SYSTEM O.R. PROCEDURES W CC	\$20,184.06	1.6640
171 OTHER DIGESTIVE SYSTEM O.R. PROCEDURES W/O CC	\$20,184.06	1.6640
172 DIGESTIVE MALIGNANCY W CC	\$29,325.15	1.9166
173 DIGESTIVE MALIGNANCY W/O CC	\$20,184.06	1.6640
174 G.I. HEMORRHAGE W CC	\$20,184.06	1.3616
175 G.I. HEMORRHAGE W/O CC	\$20,184.06	0.8550
176 COMPLICATED PEPTIC ULCER	\$31,921.87	1.4590
177 UNCOMPLICATED PEPTIC ULCER W CC	\$20,184.06	1.0245
178 UNCOMPLICATED PEPTIC ULCER W/O CC	\$20,184.06	0.8030
179 INFLAMMATORY BOWEL DISEASE	\$29,339.19	1.6516
180 G.I. OBSTRUCTION W CC	\$20,184.06	1.1615
181 G.I. OBSTRUCTION W/O CC	\$20,184.06	0.6998

EXHIBIT C.1
OUTLIER THRESHOLDS AND RELATIVE WEIGHTS

CHAMPUS DRG V15.0	Outlier Threshold	Relative Weight
182 ESOPHAGITIS, GASTROENT & MISC DIGEST DISORDERS AGE >17 W CC	\$20,184.06	0.9784
183 ESOPHAGITIS, GASTROENT & MISC DIGEST DISORDERS AGE >17 W/O C	\$20,184.06	0.8620
184 ESOPHAGITIS, GASTROENT & MISC DIGEST DISORDERS AGE 0-17	\$20,184.06	0.4725
185 DENTAL & ORAL DIS EXCEPT EXTRACTIONS & RESTORATIONS, AGE >17	\$20,184.06	1.1831
186 DENTAL & ORAL DIS EXCEPT EXTRACTIONS & RESTORATIONS, AGE 0-1	\$20,184.06	1.1831
187 DENTAL EXTRACTIONS & RESTORATIONS	\$20,184.06	1.1831
188 OTHER DIGESTIVE SYSTEM DIAGNOSES AGE >17 W CC	\$38,375.83	1.6346
189 OTHER DIGESTIVE SYSTEM DIAGNOSES AGE >17 W/O CC	\$20,184.06	1.6640
190 OTHER DIGESTIVE SYSTEM DIAGNOSES AGE 0-17	\$20,184.06	1.6640
191 PANCREAS, LIVER & SHUNT PROCEDURES W CC	\$89,212.86	6.8823
192 PANCREAS, LIVER & SHUNT PROCEDURES W/O CC	\$20,184.06	2.1599
193 BILIARY TRACT PROC EXCEPT ONLY CHOLECYST W OR W/O C.D.E. W C	\$20,184.06	2.1599
194 BILIARY TRACT PROC EXCEPT ONLY CHOLECYST W OR W/O C.D.E. W/O	\$20,184.06	2.1599
195 CHOLECYSTECTOMY W C.D.E. W CC	\$27,013.59	2.9647
196 CHOLECYSTECTOMY W C.D.E. W/O CC	\$20,184.06	2.1599
197 CHOLECYSTECTOMY EXCEPT BY LAPAROSCOPE W/O C.D.E. W CC	\$41,763.60	3.1077
198 CHOLECYSTECTOMY EXCEPT BY LAPAROSCOPE W/O C.D.E. W/O CC	\$20,184.06	1.6949
199 HEPATOBILIARY DIAGNOSTIC PROCEDURE FOR MALIGNANCY	\$20,184.06	2.1599
200 HEPATOBILIARY DIAGNOSTIC PROCEDURE FOR NON-MALIGNANCY	\$20,184.06	2.1599
201 OTHER HEPATOBILIARY OR PANCREAS O.R. PROCEDURES	\$20,184.06	2.1599
202 CIRRHOSIS & ALCOHOLIC HEPATITIS	\$30,259.17	1.9225
203 MALIGNANCY OF HEPATOBILIARY SYSTEM OR PANCREAS	\$20,798.37	1.6636
204 DISORDERS OF PANCREAS EXCEPT MALIGNANCY	\$23,062.55	1.3223
205 DISORDERS OF LIVER EXCEPT MALIG,CIRR,ALC HEPA W CC	\$29,013.98	1.6204
206 DISORDERS OF LIVER EXCEPT MALIG,CIRR,ALC HEPA W/O CC	\$20,184.06	2.1599
207 DISORDERS OF THE BILIARY TRACT W CC	\$20,184.06	1.2958
208 DISORDERS OF THE BILIARY TRACT W/O CC	\$20,184.06	0.8116
209 MAJOR JOINT & LIMB REATTACHMENT PROCEDURES OF LOWER EXTREMIT	\$25,174.40	3.7027
210 HIP & FEMUR PROCEDURES EXCEPT MAJOR JOINT AGE >17 W CC	\$26,002.54	2.7308
211 HIP & FEMUR PROCEDURES EXCEPT MAJOR JOINT AGE >17 W/O CC	\$20,184.06	2.2398
212 HIP & FEMUR PROCEDURES EXCEPT MAJOR JOINT AGE 0-17	\$20,184.06	2.0071
213 AMPUTATION FOR MUSCULOSKELETAL SYSTEM & CONN TISSUE DISORDER	\$20,184.06	1.4485
216 BIOPSIES OF MUSCULOSKELETAL SYSTEM & CONNECTIVE TISSUE	\$20,184.06	1.4485
217 WND DEBRID & SKN GRFT EXCEPT HAND, FOR MUSCSKELET & CONN TISS	\$49,376.34	3.8545
218 LOWER EXTREM & HUMER PROC EXCEPT HIP, FOOT, FEMUR AGE >17 W CC	\$20,184.06	2.3265
219 LOWER EXTREM & HUMER PROC EXCEPT HIP, FOOT, FEMUR AGE >17 W/O	\$20,184.06	1.8071
220 LOWER EXTREM & HUMER PROC EXCEPT HIP, FOOT, FEMUR AGE 0-17	\$20,184.06	1.6391
223 MAJOR SHOULDER/ELBOW PROC, OR OTHER UPPER EXTREMITY PROC W C	\$20,184.06	1.5628
224 SHOULDER, ELBOW OR FOREARM PROC, EXC MAJOR JOINT PROC, W/O CC	\$20,184.06	1.3474
225 FOOT PROCEDURES	\$20,184.06	1.5180
226 SOFT TISSUE PROCEDURES W CC	\$20,184.06	1.4485
227 SOFT TISSUE PROCEDURES W/O CC	\$20,184.06	1.4322
228 MAJOR THUMB OR JOINT PROC, OR OTH HAND OR WRIST PROC W CC	\$20,184.06	1.4485
229 HAND OR WRIST PROC, EXCEPT MAJOR JOINT PROC, W/O CC	\$20,184.06	1.4485
230 LOCAL EXCISION & REMOVAL OF INT FIX DEVICES OF HIP & FEMUR	\$20,184.06	1.4485

EXHIBIT C.1
OUTLIER THRESHOLDS AND RELATIVE WEIGHTS

CHAMPUS DRG V15.0	Outlier Threshold	Relative Weight
231 LOCAL EXCISION & REMOVAL OF INT FIX DEVICES EXCEPT HIP & FEM	\$27,444.19	2.0810
232 ARTHROSCOPY	\$20,184.06	1.4485
233 OTHER MUSCULOSKELET SYS & CONN TISS O.R. PROC W CC	\$20,184.06	1.4485
234 OTHER MUSCULOSKELET SYS & CONN TISS O.R. PROC W/O CC	\$20,184.06	2.6611
235 FRACTURES OF FEMUR	\$20,184.06	1.1647
236 FRACTURES OF HIP & PELVIS	\$20,184.06	1.4485
237 SPRAINS, STRAINS, & DISLOCATIONS OF HIP, PELVIS & THIGH	\$20,184.06	1.4485
238 OSTEOMYELITIS	\$29,864.75	1.8614
239 PATHOLOGICAL FRACTURES & MUSCULOSKELETAL & CONN TISS MALIGNA	\$28,440.97	1.7804
240 CONNECTIVE TISSUE DISORDERS W CC	\$44,293.09	1.8289
241 CONNECTIVE TISSUE DISORDERS W/O CC	\$20,184.06	1.4485
242 SEPTIC ARTHRITIS	\$20,184.06	1.4485
243 MEDICAL BACK PROBLEMS	\$20,184.06	1.0289
244 BONE DISEASES & SPECIFIC ARTHROPATHIES W CC	\$20,184.06	1.4485
245 BONE DISEASES & SPECIFIC ARTHROPATHIES W/O CC	\$20,184.06	1.4485
246 NON-SPECIFIC ARTHROPATHIES	\$20,184.06	1.4485
247 SIGNS & SYMPTOMS OF MUSCULOSKELETAL SYSTEM & CONN TISSUE	\$20,184.06	1.4485
248 TENDONITIS, MYOSITIS & BURSITIS	\$20,184.06	1.4485
249 AFTERCARE, MUSCULOSKELETAL SYSTEM & CONNECTIVE TISSUE	\$20,184.06	1.4485
250 FX, SPRN, STRN & DISL OF FOREARM, HAND, FOOT AGE >17 W CC	\$20,184.06	1.4485
251 FX, SPRN, STRN & DISL OF FOREARM, HAND, FOOT AGE >17 W/O CC	\$20,184.06	1.4485
252 FX, SPRN, STRN & DISL OF FOREARM, HAND, FOOT AGE 0-17	\$20,184.06	1.4485
253 FX, SPRN, STRN & DISL OF UPARM, LOWLEG EX FOOT AGE >17 W CC	\$20,184.06	1.4485
254 FX, SPRN, STRN & DISL OF UPARM, LOWLEG EX FOOT AGE >17 W/O CC	\$20,184.06	1.4485
255 FX, SPRN, STRN & DISL OF UPARM, LOWLEG EX FOOT AGE 0-17	\$20,184.06	1.4485
256 OTHER MUSCULOSKELETAL SYSTEM & CONNECTIVE TISSUE DIAGNOSES	\$20,184.06	1.4485
257 TOTAL MASTECTOMY FOR MALIGNANCY W CC	\$20,184.06	1.5351
258 TOTAL MASTECTOMY FOR MALIGNANCY W/O CC	\$20,184.06	1.4023
259 SUBTOTAL MASTECTOMY FOR MALIGNANCY W CC	\$20,184.06	1.1936
260 SUBTOTAL MASTECTOMY FOR MALIGNANCY W/O CC	\$20,184.06	1.1936
261 BREAST PROC FOR NON-MALIGNANCY EXCEPT BIOPSY & LOCAL EXCISIO	\$20,184.06	1.6911
262 BREAST BIOPSY & LOCAL EXCISION FOR NON-MALIGNANCY	\$20,184.06	1.1936
263 SKIN GRAFT &/OR DEBRID FOR SKN ULCER OR CELLULITIS W CC	\$65,491.23	4.1509
264 SKIN GRAFT &/OR DEBRID FOR SKN ULCER OR CELLULITIS W/O CC	\$20,184.06	1.1936
265 SKIN GRAFT &/OR DEBRID EXCEPT FOR SKIN ULCER OR CELLULITIS W	\$20,184.06	1.1936
266 SKIN GRAFT &/OR DEBRID EXCEPT FOR SKIN ULCER OR CELLULITIS W	\$20,184.06	1.6914
267 PERIANAL & PILONIDAL PROCEDURES	\$20,184.06	1.1936
268 SKIN, SUBCUTANEOUS TISSUE & BREAST PLASTIC PROCEDURES	\$20,184.06	1.1936
269 OTHER SKIN, SUBCUT TISS & BREAST PROC W CC	\$39,081.73	2.5615
270 OTHER SKIN, SUBCUT TISS & BREAST PROC W/O CC	\$21,346.72	1.2069
271 SKIN ULCERS	\$28,528.84	1.6467
272 MAJOR SKIN DISORDERS W CC	\$20,184.06	1.1936
273 MAJOR SKIN DISORDERS W/O CC	\$20,184.06	1.1936
274 MALIGNANT BREAST DISORDERS W CC	\$20,184.06	1.1936
275 MALIGNANT BREAST DISORDERS W/O CC	\$20,184.06	1.1936

EXHIBIT C.1
OUTLIER THRESHOLDS AND RELATIVE WEIGHTS

CHAMPUS DRG V15.0	Outlier Threshold	Relative Weight
276 NON-MALIGANT BREAST DISORDERS	\$20,184.06	0.7779
277 CELLULITIS AGE >17 W CC	\$20,184.06	1.2077
278 CELLULITIS AGE >17 W/O CC	\$20,184.06	0.8399
279 CELLULITIS AGE 0-17	\$20,184.06	0.6267
280 TRAUMA TO THE SKIN, SUBCUT TISS & BREAST AGE >17 W CC	\$20,184.06	1.1936
281 TRAUMA TO THE SKIN, SUBCUT TISS & BREAST AGE >17 W/O CC	\$20,184.06	1.1936
282 TRAUMA TO THE SKIN, SUBCUT TISS & BREAST AGE 0-17	\$20,184.06	1.1936
283 MINOR SKIN DISORDERS W CC	\$20,184.06	1.1936
284 MINOR SKIN DISORDERS W/O CC	\$20,184.06	1.1936
285 AMPUTAT OF LOWER LIMB FOR ENDOCRINE,NUTRIT,& METABOL DISORDE	\$20,184.06	1.9338
286 ADRENAL & PITUITARY PROCEDURES	\$20,184.06	1.9338
287 SKIN GRAFTS & WOUND DEBRID FOR ENDOC, NUTRIT & METAB DISORDE	\$20,184.06	1.9338
288 O.R. PROCEDURES FOR OBESITY	\$20,184.06	1.9338
289 PARATHYROID PROCEDURES	\$20,184.06	1.9338
290 THYROID PROCEDURES	\$20,184.06	1.4509
291 THYROGLOSSAL PROCEDURES	\$20,184.06	1.9338
292 OTHER ENDOCRINE, NUTRIT & METAB O.R. PROC W CC	\$20,184.06	1.9338
293 OTHER ENDOCRINE, NUTRIT & METAB O.R. PROC W/O CC	\$20,184.06	1.9338
294 DIABETES AGE >35	\$20,184.06	0.9921
295 DIABETES AGE 0-35	\$20,184.06	0.7919
296 NUTRITIONAL & MISC METABOLIC DISORDERS AGE >17 W CC	\$20,184.06	1.2206
297 NUTRITIONAL & MISC METABOLIC DISORDERS AGE >17 W/O CC	\$20,184.06	0.7521
298 NUTRITIONAL & MISC METABOLIC DISORDERS AGE 0-17	\$20,184.06	0.5487
299 INBORN ERRORS OF METABOLISM	\$20,184.06	1.9338
300 ENDOCRINE DISORDERS W CC	\$20,184.06	1.9338
301 ENDOCRINE DISORDERS W/O CC	\$20,184.06	1.9338
302 KIDNEY TRANSPLANT	\$20,184.06	1.2201
303 KIDNEY, URETER & MAJOR BLADDER PROCEDURES FOR NEOPLASM	\$29,975.18	3.5893
304 KIDNEY, URETER & MAJOR BLADDER PROC FOR NON-NEOPL W CC	\$48,262.60	2.9291
305 KIDNEY, URETER & MAJOR BLADDER PROC FOR NON-NEOPL W/O CC	\$20,184.06	1.8184
306 PROSTATECTOMY W CC	\$20,184.06	1.2201
307 PROSTATECTOMY W/O CC	\$20,184.06	1.2201
308 MINOR BLADDER PROCEDURES W CC	\$20,184.06	1.2201
309 MINOR BLADDER PROCEDURES W/O CC	\$20,184.06	1.2201
310 TRANSURETHRAL PROCEDURES W CC	\$20,184.06	1.8149
311 TRANSURETHRAL PROCEDURES W/O CC	\$27,901.51	1.3809
312 URETHRAL PROCEDURES, AGE >17 W CC	\$20,184.06	1.2201
313 URETHRAL PROCEDURES, AGE >17 W/O CC	\$20,184.06	1.2201
314 URETHRAL PROCEDURES, AGE 0-17	\$20,184.06	1.2201
315 OTHER KIDNEY & URINARY TRACT O.R. PROCEDURES	\$52,455.61	2.7267
316 RENAL FAILURE	\$24,112.77	1.5255
317 ADMIT FOR RENAL DIALYSIS	\$20,184.06	1.2201
318 KIDNEY & URINARY TRACT NEOPLASMS W CC	\$20,184.06	1.2201
319 KIDNEY & URINARY TRACT NEOPLASMS W/O CC	\$20,184.06	1.2201
320 KIDNEY & URINARY TRACT INFECTIONS AGE >17 W CC	\$20,184.06	1.0176